

CP Progression Paper

CP1484 'Introduction of Additional SVAA Validation at SVA Run time'

ELEXON



Committee

Supplier Volume Allocation Group



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About This Document

This document provides information on new Change Proposal (CP) 1484 and outlines our proposed progression timetable for this change, including when it will be issued for CP Consultation in the next suitable Change Proposal Circular (CPC) batch.

We are presenting this paper to capture any comments or questions from Supplier Volume Allocation Group (SVG) Members on this CP before we issue it for consultation.

There are three parts to this document:

- This is the main document. It provides a summary of the solution, impacts, anticipated costs, and proposed implementation approach, as well as our proposed progression approach for this CP.
- Attachment A contains the CP1484 proposal form.
- Attachment B contains the proposed redlined changes to deliver the CP1484 solution.

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What is the current process?

A Supplier Volume Allocation (SVA) run allocates the quantities of Active Energy volumes to Supplier Balancing Mechanism Units (BMUs). The SVA run involves aggregation across Data Aggregator (DA) files and profiling of non-half hourly volumes. The BMU data is then used in Settlement to determine how much each Supplier's imbalance volume is. It is therefore important that the data entering the SVA Agent (SVAA) run is accurate. As such, a number of checks are currently used to validate the data in the SVA run. The SVAA operator currently checks for completeness of data, that is whether all the expected data files have been received. They also check for duplication of data. In the cases where duplication is found or data is incomplete then this is addressed by respectively removing the duplicated data or defaulting values where it is missing.

Finally, where variances in Grid Supply Point (GSP) Group Correction Factors (GCFs) are above a threshold of 10 or less than 0, the SVA run will fail and an exception report will be created. The threshold is set at these limits to identify when erroneous data is at a significant level. The GSP Group Correction Factors (GGCFs) are used to ensure the total energy allocated to Suppliers in each Settlement Period in each GSP Group matches the energy entering the GSP Groups from the Transmission System, adjoining GSP Groups and through embedded generation.

What is the issue?

Each year there are on average 3.5 Trading Disputes caused by erroneous data used in SVA runs. The materiality of the average Trading Dispute is approximately £600k with some being 5-10 times larger and the resolution taking four months. The issue is substantial and is not prevented as erroneous data is inadequately identified by the current validation checks. This is because there are no assessments of the energy volumes or Metering System Identifier (MSID) counts within the DA files.

Moreover, there are situations where the SVAA operator is aware of erroneous data but cannot get the DA to submit valid data in time for the SVA run. In these situations, the SVAA operator needs the ability to default data as appropriate. However this is not currently possible, because the SVAA operator requires intervention by another SVAA system administrator to delete duplicate or erroneous data files before defaulting can occur. The result is the erroneous data is used which may cause trading disputes.

The final issue is that the exception reports created when variances in GGCFs are above a threshold are not adequate. This is because the thresholds are not realistic and hence do not identify erroneous data when they should. In addition, the exceptions do not always lead to the SVA run being stopped and so files can be sent out to Suppliers when erroneous data is present. In the cases when the SVA run is not automatically stopped as a result of an exception report, the SVAA operator is not able to manually stop the run and address the issues. This results in SVA runs being inaccurate and can lead to Trading Disputes where there is clearly an issue with the input consumption data.

Grid Supply Point

This is the Systems Connection Point at which the Transmission System is connected to a Distribution System.

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Proposed solution

ELEXON raised [CP1484 'Introduction of Additional SVAA Validation at SVA Run time'](#) on 8 February 2017. The CP proposes that three new processes, outlined below, are implemented.

1: Validate an individual DA data flow

This validation process aims to capture erroneous data in submitted DA files prior to the Volume Allocation Run (VAR). Initially, the DA will send the files of consumption data for each GSP Group to the SVAA. The SVAA will be modified so it can automatically validate data to ensure it is suitable for use in Settlement. These validation checks will assess the plausibility of consumption values by comparing against appropriate recent data files from the same DA and should identify any major errors or discrepancies. When the data changes are outside tolerances the SVAA must notify the DA who will reassess the validity of the data files, address any issues and re-submit to the SVAA prior to SVAA run time. This prevents the SVA operator having to default the data and enables the SVA run to use the actual data files which are more accurate.

2: Ensure there is a complete set of DA data ready for the VAR

This process sets out the steps for one GSP Group for a specific Settlement Day and Settlement Run. However, it is recognised that the SVAA operator will need to carry out the process for all GSP Groups and for several different Settlement Runs within the same time window on a given Business Day. Although this is similar to the existing data marshalling process, it gives the SVAA operator the ability to default data, when identified as erroneous, without support from SVAA system administrators in two new ways:

- Substituting default data when required (manually); and
- Substituting default data when required (automatically).

This process may follow the quarantining of the suspect file identified in process 1 above. It is intended to make the defaulting process easier for the SVAA operator than is currently possible.

3: Carry out the VAR and check results

When the VAR calculations are run, aggregate consumption information is then available for each GSP Group as a whole. This makes it possible to perform additional checks on the results to identify whether the results are plausible. This process summarises the steps required for a GSP Group for a given Settlement Day and Run and is repeated for every GSP Group.

This solution focuses on the checks made on the out-turn data and the results, and does not change the actual volume allocation calculations. Two additional checks are proposed

- Checks on volume to be corrected in each GSP Group and Settlement Period. The checks will provide an exception report of any volumes outside defined tolerances; and



Data marshalling process

The data marshalling process ensures that all files for a VAR have been received or defaulted as appropriate.

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- Checks on each GSP Group Correction Factor per Settlement Period. The checks will provide an exception report of any volumes outside defined tolerances¹.

Where a tolerance has been breached the SVA run will be aborted while a further investigation is undertaken by the SVAA operator. Data issues identified will be addressed before the run is re-initiated. An override facility will be provided where data issues cannot be identified in a timely manner.

These checks highlight to the SVAA operator that following the checks in processes 1 and 2 there are still issues that need to be resolved. The exception report and data will be provided to ELEXON for investigation where the SVAA operator cannot resolve at run-time. ELEXON will attempt to resolve any issues by first trying to get the original data from the DA and if this is not possible by defaulting the data before next reconciliation run.

The expectation is that this process will be infrequent following the implementation of processes 1 and 2 and is intended to trap any residual issues that need to be addressed.

Proposer's rationale

Significant error in data quality impacts all Parties and gives rise to Trading Disputes. Some errors can cause financial hardship to smaller participants if they cannot be resolved in a timely manner. These changes are intended to trap, replace or default erroneous data in a more efficient manner than is currently possible.

Proposed redlining

Attachment B contains the proposed changes to Balancing and Settlement Code Procedure (BSCP) 508 to deliver CP1484.

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¹ ELEXON will undertake analysis of data errors and will redefine the parameters as part of its annual review.

3 Impacts and Costs

Central impacts and costs

CP1484 will require a change to BSCP508 and will cause an impact on the SVAA system.

The central implementation costs for CP1484 will be approximately £153,000 to implement document and system changes. This is based on a 22 week project to update the software and carry out relevant testing, which was determined in a service provider impact assessment. Given the high costs to implement a Panel meeting will be needed to give final approval for the change.

| Central Impacts | |
|---|---|
| Document Impacts | System Impacts |
| <ul style="list-style-type: none">BSCP508 'Supplier Volume Allocation Agent'SVAA User Requirement Specifications (URS) | <ul style="list-style-type: none">SVAA system |

We will consult on the redlined changes to the URS during implementation and after approval of the CP

BSC Party & Party Agent impacts and costs

We believe this change will only impact Half Hourly (HH) and Non Half Hourly (NHH) DAs and will only impact their procedures.

| BSC Party & Party Agent Impacts | |
|---------------------------------|---|
| BSC Party/Party Agent | Impact |
| HHDAs and NHHDA's | There are possible impacts on their procedures as this change may identify more issues with the VAR data than identified currently. |

4 Implementation Approach

Recommended Implementation Date

CP1484 is proposed for implementation on 2 November 2017 as part of the November 2017 Release. We are still assessing the feasibility of this date for the necessary SVAA system changes and so will confirm verbally at the SVG meeting.

The November 2017 Release is the next available Release that can include this CP.

5 Proposed Progression

Progression timetable

The table below outlines the proposed progression plan for CP1484:

| Progression Timetable | |
|---|---------------------------|
| Event | Date |
| CP Progression Paper presented to SVG for information | 28 Feb 17 |
| CP Consultation | 6 Mar 17 – 31 Mar 17 |
| CP Assessment Report presented to SVG for decision | 2 May 17 |
| Panel decision | 11 May 17 |
| Proposed Implementation Date | 2 Nov 17 (Nov 17 Release) |

CP Consultation questions

We intend to ask the standard CP Consultation questions for CP1484. We do not believe any additional questions need to be asked for this CP.

| Standard CP Consultation Questions |
|--|
| Do you agree with the CP1484 proposed solution? |
| Do you agree that the draft redlining delivers the CP1484 proposed solution? |
| Will CP1484 impact your organisation? |
| Will your organisation incur any costs in implementing CP1484? |
| Do you agree with the proposed implementation approach for CP1484? |

6 Recommendations

We invite you to:

- **NOTE** that CP1484 has been raised;
- **NOTE** the proposed progression timetable for CP1484; and
- **PROVIDE** any comments or additional questions for inclusion in the CP Consultation.

Appendix 1: Glossary & References

Acronyms

Acronyms used in this document are listed in the table below.

| Acronyms | |
|----------|---|
| Acronym | Definition |
| BMUs | Balancing Mechanism Units |
| BSCCo | Balancing and Settlement Code Company |
| BSCP | Balancing and Settlement Code Procedure |
| CP | Change Proposal |
| CPC | Change Proposal Circular |
| DA | Data Aggregator |
| GCF | Group Correction Factor |
| GSP | Grid Supply Point |
| GGCF | Grid Supply Point Group Correction Factor |
| MSID | Metering System Identifier |
| SVA | Supplier Volume Allocation |
| SVAA | Supplier Volume Allocation Agent |
| SVG | Supplier Volume Allocation Group |
| URS | User Requirement Specifications |
| VAR | Volume Allocation Run |

External links

A summary of all hyperlinks used in this document are listed in the table below.

All external documents and URL links listed are correct as of the date of this document.

| External Links | | |
|----------------|----------------|---|
| Page(s) | Description | URL |
| 3 | CP1484 webpage | https://www.elexon.co.uk/change-proposal/cp1484/ |

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